



## State of New Jersey

DEPARTMENT OF EDUCATION  
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*Governor*

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*Commissioner*

October 1, 2004

TO: County Superintendent  
County School Business Administrators

FROM: Richard Rosenberg *Richard Rosenberg*  
Assistant Commissioner  
Division of Finance

SUBJECT: 2005-06 Application for State School Aid - Workpapers and Written Procedures

The Application for State School Aid Summary is a required part of the annual independent school district audit. The Application for State School Aid Summary printout prepared by the department will be included in the audit report as a supplementary schedule and is subjected to the same auditing procedures applied in the examination of the school district's basic financial statements.

Districts must complete a set of workpapers that document the compilation of register data for the Application for State School Aid pupil count and provide an audit trail for the auditor to use as a basis for testing. Samples of the workpapers and instructions are attached. Districts must also prepare written internal procedures that provide a description of the October 15 count process. The procedures should describe how the count was taken, who was responsible for compiling the data and submitting the Application for State School Aid data, and the various assigned responsibilities for collecting the data. The workpapers, original supporting documentation and internal procedures must be maintained on file for a period of **seven** years. This year's work papers include specific data for preschool students sent to Contracted Pre-School Providers.

Districts are advised that, in addition to the audit testing performed as part of the financial statement audit, the Department of Education conducts audits of the Application for State School Aid for purposes of verifying state aid entitlements to school districts. Various past department audit results have indicated that certain school districts have duplicated student counts by reporting special education students on the grade level and tier level lines for the on-roll and low-income categories. These audits have resulted in subsequent reductions to state aid payments to these districts.

Department audits have also found that some districts have included students eligible for reduced price lunches as low-income students as of October 15 when preparing the ASSA. Districts are reminded that only students eligible for **free** meals and **free** milk can be included on the ASSA as low-income students. Abbott school districts are reminded that 3- and 4-year-old students without an IEP are counted as preschool students on roll or sent. If a 3-year-old or 4-year-old student has an IEP specifying special education services for preschool disabled children, these students are reported as tiered students on the ASSA.

Department audits have also found that some districts have included students in the Adult High School Counts that are not eligible for enrollment reporting because of lack of minimum actual attendance. Specific attendance requirements must be met for students to be properly included in the enrollment counts as having met the minimum attendance requirement. The requirements are noted in the ASSA Instruction Manual and in the attached workpaper instructions. Each school district submitting Adult High School enrollment must review the enrollment count submitted on the initial ASSA submission to ensure that students have met the minimum attendance requirement. All students not eligible for October 15, 2004 enrollment reporting because they have not met the minimum requirement must be deducted from the count on a subsequent revised ASSA transmission made by the end of November 2004 as per ASSA submission guidelines.

Please contact Robert Ortley at (609) 984-4940 or your county office if you have any questions concerning the workpapers or the internal procedures.

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Attachments

c: Dwight Pfennig, Deputy Commissioner

Albert A. Monillas, Assistant Commissioner, Southern Region

J. Michael Rush, Assistant to Deputy Commissioner, Central Region

Judith Weiss, Assistant Commissioner, Northern Region

Yut'se Thomas, Director, Office of School Funding